



# CALIFORNIA LABOR NEWS

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## GOVERNOR BACKS DOWN ON MEAL PERIOD TAKE-AWAY!

In a huge victory for working Californians, Governor Schwarzenegger has abandoned his harmful proposed regulation that would have ended meal periods as we know them in California. On January 13th (the last day to submit the final regulation) the Governor announced that he was pulling the proposal rather than moving forward.

For the Governor, this has been a foolish venture from the start. In December 2004, the Governor tried to ram this proposal through as an "emergency" regulation over a holiday weekend, hoping to catch workers and their advocates off-guard. It didn't work. I and others immediately condemned the proposal as an unlawful usurpation of power by the administration and a move that would erode long-lasting California law. A subsequent expose in the San Francisco Chronicle revealed the shocking extent to which the business community was involved in the drafting of this harmful proposal – a process that began on the very day of Governor Schwarzenegger's inauguration.

Faced with growing opposition, the Governor withdrew the emergency regulation and instead submitted the proposal through the normal year-long rulemaking process.

But his troubles didn't end there. As Chair of the Assembly Committee on Labor and Employment, I held an oversight hearing in March 2005 on the issue of whether the Administration had the legal authority to even pursue this regulation – the Administration's argument was shaky at best. Moreover, the hearing revealed further e-mails from Administration officials showing that they had been working on this proposal in close collaboration with the business community for nearly a year before it was introduced.

Next, the Governor embarked on a foolhardy endeavor to promote the regulation through shameful propaganda pieces known as "video news releases." I immediately held a press conference with labor leaders to condemn these one-sided and improper fake news stories (which it turned out the Governor had used for several other anti-worker policies as well). Ultimately, a Sacramento County Superior Court ruled that these video news releases were unlawful and barred the administration from using such tactics in the future... [continued on page 3](#)

## MINIMUM WAGE DEBATE HEATS UP

With Governor Schwarzenegger's announcement during his State of the State address that he wants to increase the minimum wage, the issue is shaping up to be one of the most important issues of the 2006 legislative session.

The Governor has vetoed increases to the minimum wage for two years in a row. However, following his resounding defeat in the special election, the Governor now appears to want to "make nice" with California's working families. Only time will tell.

Thus far, four separate pieces of legislation have been introduced to increase the minimum wage in one form or another.

- AB 1835 (Lieber) is essentially a reintroduction of her AB 48 from last year and would increase the minimum wage by one dollar by 2008 and would thereafter index the minimum wage by the rate of inflation...

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## PUZZLED BY MIRIAM PAWEL'S LOS ANGELES TIMES SERIES ON THE UFW?



As many of you have probably seen in recent weeks, the *Los Angeles Times* has been running a series of inaccurate and dishonest slam pieces against the United Farm Workers of America.

Pawel's main premise— that the UFW is “failing to organize California farm workers”—is directly contradicted by reporting from at least 22 Los Angeles Times reporters and two columnists between April 1994 (when the current UFW organizing drive began) and September 2005. These stories chronicle substantial UFW organizing, election, strike and boycott activities plus new union contracts and legislative victories.

Either all of the stories by other Los Angeles Times reporters are wrong or Pawel's stories are wrong—they both can't be right. Please see citations for just 48 of the news articles and columns by Los Angeles Times writers at <http://www.ufw.or/puzzled11206.htm>

Here's what the Los Angeles Times failed to tell you:

- The UFW has won 32 union election victories, most in California, since the current organizing effort was commenced.
- Dozens of UFW contracts are in effect, including those with the largest strawberry, rose, winery and mushroom firms in California and the nation.

- Over the last decade, the UFW has dedicated up to 50% of its resources to organizing workers, a figure that is among the highest of all unions.
- These victories exist despite the fact that the UFW continues to face stiff grower opposition and lukewarm enforcement of the law by state officials.
- The UFW has achieved important legislative and administrative protections, including the following: the 2005 heat illness emergency regulation; the landmark 2002 binding mediation law; requirements for seat belts in farm labor vehicles; remedies for workers cheated out of their wages by farm labor contractors; and new pesticide protections.
- UFW led the fight to push federal legislation known as AgJobs – the historic immigration reform bill designed to aid hundreds of thousands of farm labor workers.

As we all know, there are two sides to every story. I sincerely hope that you take a look at the real facts and come to the same conclusion that I share – that while we should never be completely satisfied with the progress made thus far, we should be proud of the real accomplishments made to date by the UFW. And each and every one of us needs to remain committed to work with our UFW brothers and sisters to overcome the challenges they face.

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### *Minimum Wage Debate—cont'd from page 1...*

- AB 1844 (Chavez) essentially represents a reintroduction of AB 48 as well.
- SB 1162 (Cedillo) would increase the minimum wage by one dollar and would thereafter index the minimum wage by a method yet to be determined.
- SB 1167 (Maldonado) represents the Governor's minimum wage proposal. The bill would increase the minimum wage by one dollar but would not index the minimum wage thereafter.

While the business community will likely continue to push for overtime takeaways and the restaurant "tip credit" issue as part of any minimum wage discussions, I believe the real debate will center around indexing. I have long supported indexing the minimum wage because I believe it is actually better for both the labor and the business communities. It would be much easier for businesses to absorb a minor annual increase to the minimum wage rather than a periodic increase of a dollar or more (as under the current system). Moreover, indexing ensures that the minimum wage maintains its purchasing power, which has decreased by approximately 10 percent in the two years that the Governor has vetoed minimum wage increases.

## **MARYLAND PASSES "FAIR SHARE HEALTH CARE" ACT**

Recently, the Maryland General Assembly voted to override the state governor's veto of first-in-the-nation legislation to require large employers such as Wal-Mart to spend more money on employee health care. Under the law, companies with more than 10,000 employees in the state are required to spend at least 8 percent of their payroll on employee health care. Companies that do not meet the 8 percent threshold must pay the difference into the state's Medicaid fund.

Such legislation (which is also being considered in 30 other states) becomes necessary as fewer employers provide health care for their workers. Between 2001 and 2004, the number of uninsured Americans increased by nearly 5 million to 46 million people. Moreover, only 60 percent of employers provided health insurance to employees in 2005, compared to 69 percent of employers in 2000.

As employer-provided coverage has declined, state taxpayers are forced to pick up the tab through Medicaid and other public programs. According to a study by the Commonwealth Fund, taxpayers are forced to pay \$8 billion in covering workers who lack employer coverage. Moreover, workers who lack job-based coverage pay \$58 billion in out-of-pocket expenses and \$3 billion in private individual insurance premiums.

In California, we are in a unique position because we actually had legislation (SB 2) passed and signed into law in 2003 which was much more comprehensive and would have required employers with 50 or more employees to provide health coverage or pay into a state-run program. However, a subsequent ballot measure (Proposition 72) that would have ensured that SB 2 went into effect was narrowly defeated by the voters.

In most states, the Maryland legislation would represent a step forward. However, in light of the history of SB 2 in California and the distinct possibility of bringing forward such a similar concept in the near future, introducing such a measure in California probably does not make sense from a policy perspective.

However, the Maryland legislation represents a symbolic victory nonetheless in the fight to make employers like Wal-Mart more accountable to their employees and state governments when it comes to health care coverage. It would be great if we had the numbers to override governor vetoes here in California!

## ***Meal Periods – cont'd from page 1...***

The Administration then conducted a series of "kangaroo court" public hearings around the state to hear public input on the proposal. I participated at the hearings in Los Angeles and strongly condemned the proposal on policy and procedural grounds. However, the fact that the Administration had issued the mock news stories the day before the first public hearing clearly showed that they had already made up their mind about the regulation and were not really interested in what members of the public (except business owners) had to say.

And just a few short weeks ago, an Alameda County jury awarded Wal-Mart employees \$172 million for the company's failure to provide meal periods – a clear message that Californians want employers to follow the law.

Thankfully, the Governor read the writing on the wall on this one and pulled the regulation at the eleventh hour. Sources have reported that the Administration now wants to convene a working group of labor and business stakeholders to look at these issues. As I have long-stated, I am very open to this collaborative approach. I have consistently offered to sit down with all interested parties and trying to reach consensus on issues of meal period flexibility where warranted and where adequate worker protections are afforded. In fact, this is exactly the approach I have taken on two previous pieces of legislation regarding meal periods – AB 3021 from 2004 and AB 1734 from 2005.

This is a huge victory for workers and many thanks to all of you who helped to stand up to the Governor and say, "Hands off our meal periods!"



*(pictured above, l to r: Rachel Sommers Smith, Assemblyman Paul Koretz and Jeff Rogers)*

## **Local 800 Honors Koretz**

On December 15, 2005, Assemblyman Paul Koretz was honored with the inaugural 2005 Solidarity Award by the Jewish Communal Workers' & Social Agency Employees' Union, Local 800 of the American Federation of State, County and Municipal Employees (AFSCME).

"I am delighted to receive the first Solidarity Award that Local 800 gives out. It is an honor and privilege to be in a position to give a helping hand to working men and women," said Assemblyman Koretz.

AFSCME represents roughly 400 community service workers of the non-profit JFS. Local 800 also represents employees at the Jewish Federation and the various other agencies that together serve several thousand Southern California residents each week. Assemblyman Koretz remains committed to these workers until they receive the fair treatment and justice they deserve.